

NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

# **Adult Care Cost Report Training**

**By Susan Kesler**

**Office of the Controller**

# Overview

**I. Some Basics**

**II. Chart of Accounts**

**III. Downloading Program**

**IV. Completing the Cost Report**

**V. Cost Model/New Schedule F**

**VI. AUPs**

**VII. Sending in the Cost Report**

**VIII. Reminders**

# I. Some Basics

## So Why Are We Here?

- \* **In Session Law 2016-94, section 12G.2 significant changes were made to the adult care home cost reporting requirements set forth in GS 131D-4.2.**
- \* **Report now due every two years**
- \* **Due date requirement taken out**
- \* **Reporting date requirements taken out**



# I. Some Basics

- \* **Cost reports are due on odd numbered years. 2019, 2021, 2023, 2025 etc.**
- \* **The due date is September 30th of that odd number year**
- \* **Cost report should be based on facilities most recently closed fiscal/accounting year end**
- \* **For homes with 7 beds or more, Agreed Upon Procedures (AUPs) will be required whenever a cost report is due (2019, 2021, 2023, etc.)**

# I. Some Basics

- \* **Yes Mental Health homes under Chapter 122C with 6 beds or less are still required to file a cost report when it is due.**
  - \* **Not required to send audited reports**
- \* **Yes combined Nursing Homes also still required to file a cost report when it is due**
- \* **IF facility ONLY provides PCS and DOES NOT receive any State/County Special Assistance funds, an Exemption form still must be submitted!!!!!!!!!!**

# I. Some Basics

- \* **Family Care Homes, licensed as FCL-000-000, by the Division of Health Service Regulations ARE NOT required to do this cost report**

# II. Chart of Accounts

## \* **Reporting Period**

- \* **Nursing Homes – use the same reporting period as their most recently completed Medicare cost report.**
- \* **All other homes – the most recently completed fiscal/accounting year end. A few examples:**
  - \* **Oct 1, 2017 through Sep 30, 2018**
  - \* **Jan 1 through Dec 31, 2018**
  - \* **Apr 1, 2018 through Mar 31, 2019**
  - \* **Jul 1, 2018 through Jun 30, 2019**

## II. Chart of Accounts

- \* **Can be found on the DHHS Office of the Controller's web site.**
- \* **It contains all the line item expenses in the cost report and gives examples of the expenses that go on each line**
- \* **Homes with both HA and SCU beds need to capture revenue & expenses separately**
  - \* **Not required for nursing homes with both HA and SCU beds**



## II. Chart of Accounts



- \* For any employee working in more than one cost center (example dietary & housekeeping) a timesheet could be used. Or a percentage could be use to split out their time between both cost centers. Reminder salary, taxes and benefits would also need to be split between both cost centers.
- \* Need to keep up with contract hours too. Contract with a service to do housekeeping? How many hrs of work did the contract cover?
- \* No change for PCS expenses, a one line total on the Miscellaneous Line of the cost center is all that can be entered

# III. Downloading Cost Report Program

1. On the Office of the Controller's webpage
  - a) The [www2.ncdhhs.gov/control](http://www2.ncdhhs.gov/control) webpage is gone. The department upgraded to a new server/format. It should redirect you to the new webpage which is:
  - b) [www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities](http://www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities)
  - c) Click '2018-2019 Cost Report-AUPs' link
2. Please (please, please) print off a copy of the download instructions!! Detailed instructions with pictures are given

# III. Downloading Cost Report Program

## **3. Cost Report Version available**

- a) **Cost report program runs using Microsoft Office 365 or Access 2016 or higher**
  - **With full version of Microsoft Access - Please follow the additional instructions related to security**
- b) **Don't have Microsoft Access, click the free runtime to get it. Use the 32 bit version (AccessRuntime\_x86\_en-us.exe)**
  - **Program will not run/work on a 64 bit machine. You will need to call me.**
  - **Nothing can be done concerning security. Again steps explained in the instructions**

# IV. Completing the Cost Report

## Schedule A

- **Contains basic information**
  - **Mailing address, physical address of the home, phone number, contact person, Medicaid #, NPI #, etc.**
  - **Please use license number given by DHSR (Dept. of Health Service Regulations)**
  - **Line 13 -Input licensed bed capacity given by DHSR. If home has SCU beds indicate the # of SCU beds and the # of other beds**
  - **In box 16 use the dates discussed earlier**
  - **Give total # of Resident days and SA Days**

# IV. Completing the Cost Report

## Schedule A

FID: <input type="text"/>		DHR License: <input type="text"/>		Facility: <input type="text"/>	
<b>Schedule A</b>					
Reporting Basis: <input type="radio"/> Cash <input type="radio"/> Accrual		Status: <input type="text"/>			
DSS Received: <input type="text"/>		Date Closed: <input type="text"/>			
Consolidated Report? <input type="radio"/> Yes <input type="radio"/> No		# of homes: <input type="text"/>		Page <input type="text"/> of <input type="text"/>	Group ID #: <input type="text"/>
General Information	1. Mailing Address:		<input type="text"/>		
	City:		State: <input type="text"/>	Zip: <input type="text"/>	
	Facility Phone: <input type="text"/>				
	2. Physical Address:		<input type="text"/>		
	City:		State: <input type="text"/>	Zip: <input type="text"/>	
	3. Original Date Licensed		<input type="text"/>		
	4. Issued Name:		<input type="text"/>		
	5. County:		NPI Number:	<input type="text"/>	
	6. Medicaid provider #:		Medicaid Number If Changed:	<input type="text"/>	
	7. Owner(s):		<input type="text"/>		
	a. Contact Person:		b. Phone:	<input type="text"/>	
Tax Information	8. Tax Status				
	a. Voluntary Nonprofit <input type="radio"/> Church <input type="radio"/> Other (Non Profit) <input type="text"/>		b. For Profit <input type="radio"/> Sole Proprietorship <input type="radio"/> Partnership <input type="radio"/> Corporation <input type="radio"/> Other (Profit)		
Home Information	9. Do You Own the Facility?: <input type="radio"/> Yes <input type="radio"/> No				
	10. Ownership Changed?: <input type="radio"/> Yes <input type="radio"/> No				
	a. Previous Owner:		<input type="text"/>		
	Address:		<input type="text"/>		
	City:		State: <input type="text"/>	Zip: <input type="text"/>	
	b. Date: <input type="text"/>		c. Old License Number: <input type="text"/>		
11.	Date Home Built:	<input type="text"/>	16. Number of Months in Operation: <input type="text"/>		
11a.	Date home was Renovated:	<input type="text"/>	From <input type="text"/> Through <input type="text"/>		
12.	Home Fully Depreciated: <input type="radio"/> Yes <input type="radio"/> No		Is this a New Facility?: <input type="radio"/> Yes <input type="radio"/> No		
13.	Licensed Bed Capacity:	<input type="text"/>	17. Total Licensed Beds Available: <input type="text"/>		
14.	Bed Capacity Changed: <input type="radio"/> Yes <input type="radio"/> No		18. Total of Available Bed Days: <input type="text"/>		
15.	# of Beds Before Change:	<input type="text"/>	19. Total Resident Days: <input type="text"/>		
	First Date Changed:	<input type="text"/>	20. Total State/County SA Days: <input type="text"/>		
	Second Date Changed:	<input type="text"/>			

# IV. Completing the Cost Report

## Schedule A

- **Most common errors:**

- **Line 17 – program calculated. If doing manually it is figured by taking the number of beds listed in Line 13 times 365 days of the year (example  $3 \times 365 = 1,095$ )**
- **Line 18 – 9 times out of 10 should be the same number as shown on line 17. Only should be different if a bed(s) was unusable.**

# IV. Completing the Cost Report

## Schedule A

- **Most common errors:**

- **Line 19 – how many days were all the usable beds full? For home licensed for 3 beds, all three beds were full all year = 1,095 (3 x 365). Only 2 beds were full all year long = 730 (2 x 365).**
- **Difference between lines 18 & 19. Line 18 a bed couldn't be filled because of damage to a room/bed. Line 19 a bed was usable but was empty/not being used.**

# IV. Completing the Cost Report

## Schedule A

- **Most common errors:**
  - **Line 20 – how many residents received SA? For a 3 bed home – all residents received SA 1,095... 2 residents received SA, 1 was private pay 730 (2 x 365).**
  - **Summary – Lines 17, 18 = number of beds times 365. Lines 19, 20 = number of residents in the home all year times 365.**



# IV. Completing the Cost Report

- **Reminder**



- **Don't use the rollerball on the mouse. Things can get deleted and then you have to rekey**
- **Error checks have been added to Schedule A, lines 18, 19 and 20. Cannot leave Sched A until these three lines have numbers in them!!**

# IV. Completing the Cost Report

## Schedule B

- **Revenue Information**
  - **Revenue related to Special Assistance (SA) residents**
  - **Revenue related to private pay residents**
  - **Revenue related to non residents**
- **Net Profit or Loss**



# IV. Completing the Cost Report

## Schedule B


- **Two new revenue lines were added last cost reporting cycle:**
  - **11a – 100% Private Pay – funds received from non-SA residents to pay for residential services**
  - **The difference between Line 11 and 11a:**
    - **Line 11 should be used for insurance, SSI, social security payments**
    - **Line 11a should be used for any cash/check payments received not related to insurance**
  - **15a – SA Financial Asst – the \$34 per month per SA resident granted by the GA that started July 1, 2017 thru June 30, 2019.**



# IV. Completing the Cost Report

## Schedule B



 <b>North Carolina</b> Department of Health and Human Services Office of the Controller		<b>Adult Care Homes (FY 2016-2017)</b> <b>Schedules</b> <small>Printed: 5/9/2017 02:03 PM</small>	
FID: <input style="width: 50px;" type="text"/>		DHR License: <input style="width: 50px;" type="text"/>	
		Facility: <input style="width: 150px;" type="text"/>	
<b>Schedule B</b>			
<b>Revenues</b>	(Receipts on behalf of state/county special assistance residents)	<b>Revenues</b>	<b>Revenues</b>
	1. State/County Special Assistance:	<input style="width: 80px;" type="text"/>	
	2. Social Security:	<input style="width: 80px;" type="text"/>	
	3. Supplemental Security Income:	<input style="width: 80px;" type="text"/>	
	4. Personal Care Services:	<input style="width: 80px;" type="text"/>	
	5. Medical Transportation:	<input style="width: 80px;" type="text"/>	
	6. Mental Health Revenues:	<input style="width: 80px;" type="text"/>	
	7. Other (Insurance, Veterans Benefits, Railroad, Etc):	<input style="width: 80px;" type="text"/>	
	8. Less Refunds:	<input style="width: 80px;" type="text"/>	
	9. Less PCS overpayments or recoupments:	<input style="width: 80px;" type="text"/>	
	10. Total SA Resident Revenues:		<input style="width: 80px;" type="text"/>
<b>Receipts from Private Pay residents</b>	11. Private Pay Receipts: (Social Security, SSI, Insurance, Veteran Benefits, Railroad, Etc):	<input style="width: 80px;" type="text"/>	
	11.a 100% Private Pay (Non-SA eligible residents):	<input style="width: 80px;" type="text"/>	
	12. Mental Health Revenues:	<input style="width: 80px;" type="text"/>	
	13. Less Refunds:	<input style="width: 80px;" type="text"/>	
	14. Total Private Pay Revenues:		<input style="width: 80px;" type="text"/>
<b>Non-Resident Related Revenue</b>	15. Receipts From Other Sources:	<input style="width: 80px;" type="text"/>	
	15.a SA Financial Assistance:	<input style="width: 80px;" type="text"/>	
	16. Less Refunds:	<input style="width: 80px;" type="text"/>	
	17. Total Non-resident Revenues: (Subtract Line 16 from Line 15)		<input style="width: 80px;" type="text"/>
	18. Total Revenues (add lines 10, 14 and 17):		<input style="width: 80px;" type="text"/>
	19. Less Total Expenses: <small>From Schedule C, Line 240, Column 3 or from Schedule C1, Line 160, Column 3</small>	<input style="width: 80px;" type="text"/>	
	20. Net Profit or Loss: (Subtract Line 19 from Line 18)		<input style="width: 80px;" type="text"/>

# IV. Completing the Cost Report

## Schedule C1 – for 6 beds or less

- **PCS section is the first cost center: Personal Care Services**
- **The Miscellaneous line 13, is the only line where data can be keyed**
- **All other cost centers need to be completed with both hours paid, unpaid and total expenditures.**



# IV. Completing the Cost Report

## Schedule C1 – for 6 beds or less

Schedule C1

	Paid Hours	Unpaid Hours	Expenses
<b>Personal Care Services</b>			
1. Salaries and Wages Aides:			
2. Salaries and Wages Others:			
3. Casual Labor:			
4. Payroll Taxes:			
5. Employee Benefit Program:			
6. Meetings/Seminars/Training:			
7. Travel Costs:			
8. Contract Services:			
9. Non-Legend Drugs Medical Services:			
10. Legend Drugs:			
11. Beauty and Barber Shop:			
12. Bloodborne Pathogens:			
13. Miscellaneous:			
13a. Miscellaneous Related Party Adj. from Schedule D:			
20. Total of Personal Care:			
<b>Housekeeping/Laundry, Dietary and Recreation</b>			
21. Salaries and Wages:			
22. Casual Labor:			
23. Payroll Taxes:			
24. Employee Benefit Program:			
25. Meetings/Seminars/Training:			
26. Travel Costs:			
27. Contract Services:			
28. Linen Bedding:			
29. Food:			
30. Supplies:			
31. Miscellaneous:			
31a. Miscellaneous Related Party Adj. from Schedule D:			
40. Total of Housekeeping/Laundry, Dietary and Recreation:			

Schedule C1

	Paid Hours	Unpaid Hours	Expenses
<b>Property / Ownership/ Use</b>			
41. Depreciation - Land Improvements:			
42. Depreciation - Buildings:			
43. Depreciation - Equipment:			
44. Depreciation - Automobiles:			
45. Rent for Facility:			
46. Rent for Other - Buildings / Land:			
47. Rent for Other - Auto/Equipment:			
48. Real Estate Taxes:			
49. Interest - Mortgage / Fixed Assets:			
50. Interest - Other Capital:			
51. Insurance - Fixed Assets:			
52. Miscellaneous:			
52a. Miscellaneous Related Party Adj. from Schedule D:			
60. Total of Property/Ownership/Use:			
<b>Medically Related Patient Transportation</b>			
61. Salaries and Wages:			
62. Casual Labor:			
63. Payroll Taxes:			
64. Employee Benefit Program:			
65. Meetings / Seminars / Training:			
66. Travel Costs:			
67. Contract Services:			
68. Depreciation - Automobiles:			
69. Rent - Equipment:			
70. Auto Truck Maintenance and Upkeep:			
71. Repairs and Maintenance - Equipment:			
72. Interest - Automobile:			
73. Insurance - Automobile:			
74. Miscellaneous:			
74a. Miscellaneous Related Party Adj. from Schedule D:			
80. Total of Medical Related Patient Transportation:			

# IV. Completing the Cost Report

## Schedule C-Direct and C-Ind/Oth – 7+ beds

- **PCS section is made up of 3 cost centers:  
Personal Care, Health Services,  
Initial/Orientation Aide Training**
- **Data can only be keyed on the Miscellaneous  
lines (59, 72 & 88)**
- **All other cost centers need to be completed with  
both hours paid, unpaid and total expenditures.**



# IV. Completing the Cost Report

## Schedule C-Direct and C-Ind/Oth – 7+ beds

FID:  DHR License:  Facility:

**Schedule C Direct**

Direct Cost Centers	Paid Hours	Unpaid Hours	Expenses
<b>Housekeeping/Laundry</b>			
1. Salaries and Wages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
2. Casual Labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
3. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
4. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
5. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
6. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
7. Housekeeping/Laundry:	<input type="text"/>	<input type="text"/>	<input type="text"/>
8. Linen and Bedding:	<input type="text"/>	<input type="text"/>	<input type="text"/>
9. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
10a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>20. Total Housekeeping/Laundry:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Dietary</b>			
21. Salaries and Wages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
22. Casual Labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
23. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
24. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
25. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
26. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
27. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
28. Dietary Supplies:	<input type="text"/>	<input type="text"/>	<input type="text"/>
29. Food:	<input type="text"/>	<input type="text"/>	<input type="text"/>
30. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
30a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>40. Total Dietary:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Recreation Activities</b>			
41. Salaries and Wages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
42. Casual Labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
43. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
44. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
45. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
46. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
47. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
48. Supplies:	<input type="text"/>	<input type="text"/>	<input type="text"/>
49. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
49a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>50. Total Recreational Activities:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>

FID:  DHR License:  Facility:

**Schedule C Direct**

PCS Cost Centers	Paid Hours	Unpaid Hours	Expenses
<b>Personal Care</b>			
51. Salaries and Wages Aides:	<input type="text"/>	<input type="text"/>	<input type="text"/>
52. Salaries and Wages Others:	<input type="text"/>	<input type="text"/>	<input type="text"/>
53. Casual Labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
54. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
55. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
56. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
57. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
58. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
59. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
59a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>60. Total Personal Care:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Health Services</b>			
61. Salaries and Wages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
62. Casual Labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
63. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
64. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
65. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
66. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
67. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
68. Non-legend Drugs and Medical Supplies:	<input type="text"/>	<input type="text"/>	<input type="text"/>
69. Legend Drugs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
70. Beauty and Barber Shop:	<input type="text"/>	<input type="text"/>	<input type="text"/>
71. Bloodborne Pathogens (OSHA):	<input type="text"/>	<input type="text"/>	<input type="text"/>
72. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
72a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>80. Total Health Services:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Initial/Orientation Aide Training</b>			
81. Salaries and Wages:	<input type="text"/>	<input type="text"/>	<input type="text"/>
82. Casual labor:	<input type="text"/>	<input type="text"/>	<input type="text"/>
83. Payroll Taxes:	<input type="text"/>	<input type="text"/>	<input type="text"/>
84. Employee Benefit Program:	<input type="text"/>	<input type="text"/>	<input type="text"/>
85. Meetings/Seminars/Training:	<input type="text"/>	<input type="text"/>	<input type="text"/>
86. Travel Costs:	<input type="text"/>	<input type="text"/>	<input type="text"/>
87. Contract Services:	<input type="text"/>	<input type="text"/>	<input type="text"/>
88. Miscellaneous:	<input type="text"/>	<input type="text"/>	<input type="text"/>
88a. Miscellaneous Related Party Adj. from Schedule D:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>90. Total Initial/Orientation:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>



# IV. Completing the Cost Report

## Schedule C-Direct and C-Ind/Oth – w/SCU beds

HID: \_\_\_\_\_ DMR License: \_\_\_\_\_ Facility: \_\_\_\_\_

### Schedule C Direct

	Adult Care Bed Hours	Adult Care Unpaid Hours	Adult Care Expenses	SCU Bed Hours	SCU Unpaid Hours	SCU Expenses	Total Adult Care + SCU Expenses
<b>Direct Cost Centers</b>							
1. Salaries and Wages:							
2. Casual Labor:							
3. Payroll Taxes:							
4. Employee Benefit Program:							
5. Meetings/Seminars/Trng:							
6. Travel Costs:							
7. Housekeeping/Laundry:							
8. Linen and Bedding:							
9. Contract Services:							
10. Miscellaneous:							
10a. Miscellaneous Related Party Adj. from Schedule D:							
20. Total Housekeeping/Laundry:							
21. Salaries and Wages:							
22. Casual Labor:							
23. Payroll Taxes:							
24. Employee Benefit Program:							
25. Meetings/Seminars/Trng:							
26. Travel Costs:							
27. Contract Services:							
28. Dietary Supplies:							
29. Food:							
30. Miscellaneous:							
30a. Miscellaneous Related Party Adj. from Schedule D:							
40. Total Dietary:							
41. Salaries and Wages:							
42. Casual Labor:							
43. Payroll Taxes:							
44. Employee Benefit Program:							
45. Meetings/Seminars/Trng:							
46. Travel Costs:							
47. Contract Services:							
48. Supplies:							
49. Miscellaneous:							
49a. Miscellaneous Related Party Adj. from Schedule D:							
50. Total Recreational Activities:							

HID: \_\_\_\_\_ DMR License: \_\_\_\_\_ Facility: \_\_\_\_\_

### Schedule C Indirect / Other

	Adult Care Bed Hours	Adult Care Unpaid Hours	Adult Care Expenses	SCU Bed Hours	SCU Unpaid Hours	SCU Expenses	Total Adult Care + SCU Expenses
<b>Indirect Cost Centers</b>							
91. Salaries and Wages:							
92. Casual Labor:							
93. Payroll Taxes:							
94. Employee Benefit Program:							
95. Meetings/Seminars/Training:							
96. Travel Costs:							
97. Contract Services:							
98. Employee Criminal Rec. chg:							
99. Office Supplies:							
100. Management Services:							
101. Central Office Overhead:							
102. Interest - Operating:							
103. Advertising:							
104. Amortization:							
105. Data Processing:							
106. Legal and Accounting:							
107. Audit:							
108. Telephone and Telegraph:							
109. Travel and Entertainment:							
110. Dues and Subscriptions:							
111. Insurance - General:							
112. Licenses:							
113. Bad Debts:							
114. Postage:							
115. Miscellaneous:							
115a. Miscellaneous Related Party Adj. from Schedule D:							
120. Total Administration:							

# IV. Completing the Cost Report

## Schedule D

- **Related Party Transactions**
  - **Nursing Homes are exempt from reporting**
  - **Related party - meaning the home is associated or affiliated with an organization or individual furnishing the services, facility or supplies.**
  - **The cost report expense line item where this happens has to be listed on Sch D along with the expense.**
    - **If expense is related to PCS use the Miscellaneous line (13, 59, 72 or 88) as that is where the expense has been keyed**

## Schedule D

[illegible]

# IV. Completing the Cost Report

## Schedule E

- **Only used by homes with Special Care Unit (SCU) beds**
- **Allocation Method**
  - **Explains how expense allocated between SCU beds and non SCU beds within the home**
  - **Allocation basis are: Direct, Resident Days, Square Footage or Other. If other is used, an explanation is required**
    - **These are the only basis allowed**
    - **Other could mean a combination of Direct, Resident Days and/or Square Footage**

# IV. Completing the Cost Report

## Schedule E

Basis of allocating expenses between Special Care and Adult Care Beds				Schedule E
Home Name _____	FID _____	License ID _____	Cost Report Period	2013-2014
Total Square Footage of Special Care Unit: <input style="width: 80px;" type="text"/>		Total Square Footage of Adult Care Beds Unit: <input style="width: 80px;" type="text"/>		
Total of All Other Square Footage: <input style="width: 80px;" type="text"/> <small>(Administration, Kitchen, Laundry, Janitorial, Common areas, etc.)</small>		Total Square Footage of SNF/ICF Beds Unit: <input style="width: 80px;" type="text"/>		
		Total Square footage of Facility: <input style="width: 80px;" type="text"/>		
SCU Sq ft: <input style="width: 80px;" type="text"/>	Adult Care Sq ft: <input style="width: 80px;" type="text"/>	SCU Res days: <input style="width: 80px;" type="text"/>	Adult Care Res Days: <input style="width: 80px;" type="text"/>	
CostCenter	Allocation By	Information		
20. HouseKeeping / Laundry				
40. Dietary				
50. Recreation Activities				
60. Personal Care				
80. Health Services				
90. Initial/Orientation Aide Training				
120. Administration General				
140. Operation / Maintenance				
160. Medically Related Patient Transportation				
170. Mental Health Costs				
190. Property / Ownership / Use				
200. Non-Reimbursable				

# V. Cost Modeling

- ☑ A brief history
  - ☑ Department staff along with industry associations and provider groups came up with Cost Model methodology. It was approved and published in December 2004. The current SCU rate was set based on the committee findings.
  - ☑ Specific criteria also has to be applied to facilities selected for the modeling process.
- ☑ Cost Model Criteria
  - ☑ Geographical and Urban/rural representation
  - ☑ Mixture of both private pay & public funding
  - ☑ Occupancy rate at a minimum of 80%
  - ☑ Include SCUs within facilities and those that are stand-alone



# V. Cost Modeling

- ☑ Cost Model Criteria continued
  - ☑ Representation from the following size categories: 31-60 beds, 61-90 beds and 91+
  - ☑ Must have been in business (by the same owner) for at least a year
  - ☑ Minimum of 3 facilities per group
  - ☑ No disproportionately high indirect cost ratios compared to direct cost
  - ☑ No history of penalties and fines
  - ☑ Facilities meeting above criteria are reviewed/approved by industry representatives as efficient and respected facilities with a good reputation for serving residents



# V. Cost Modeling

- ☑ Per letter dated Nov 21, 2016 by the Division of Aging and Adult Services, “Cost modeling will also be performed every two years.” and “Facilities chosen for cost modeling will be required to submit addition information.”
- ☑ The cost model is based off of cost report expenses except for labor. A small additional step of mapping out FTEs to specific position titles is needed. Then in the cost model, salary and benefit costs from the US Department of Labor are substituted in for the listed positions.
- ☑ Hoping to make things easier, the cost model step has been added into the cost report program. Now ALL HAL licensed facilities with 31+ beds have to participate.





# V. Schedule F

- ☑ **New - Schedule F - Cost Modeling**
  - ☑ This new schedule will only come up for those facilities with a HAL license **AND** are licensed for 31 or more beds.
  - ☑ This new schedule will not come up if the HAL facility is licensed for 30 beds or less
  - ☑ This new schedule will not come up for facilities with a MHL or NH license!
  - ☑ Schedule F should be filled out at the very, very end after Schedules A, B, C, D, and E (if applicable) are done.
  - ☑ Even a new procedure has been added to the AUPs to validate the position titles listed on Schedule F against the job descriptions of the facility.



# V. Schedule F

- ☑ **New - Schedule F - Cost Modeling**
  - ☑ On Sched C-Direct and C-Indirect the hours listed on “Salaries and Wages” and “Casual Labor” lines are in total hours for the whole cost center no matter what kind of job is being performed. Whether it be supervision, administrative, manual task, etc.
  - ☑ On Sched F those total hours need to be broken down to the individual positions working in each cost center.
  - ☑ A list of positions and their basic descriptions, per the US Dept. of Labor, can be found on the Office of the Controller’s webpage. These descriptions need to be matched up to the positions within the facility as close as possible.



# V. Schedule F

- ☑ **Completing - Schedule F - Cost Modeling**
  - ☑ Use the list to find the best fitting description that matches the job(s) being performed within each cost center.
  - ☐ Use the drop down arrow to pick that position title from the list
  - ☑ Use the drop down arrow to pick the cost center where that job is being done.
  - ☑ Key the total number of paid hours and/or unpaid hours worked by each position in that cost center.
    - ☐ For example in the Housekeeping Cost Center there are a total of 5 maids that work for the facility. Each individual maid does not need to be listed on Sched F. The total hours for all 5 maids need to be combined and listed on one line for “Maids & Housekeeping Cleaners”.
    - ☐ For facilities with SCU beds the paid hours and/or unpaid hours for each position needs to be broken out between the time working the regular ACH beds and time working the SCU beds

# V. Schedule F

## ☑ Completing - Schedule F - Cost Modeling

- ☑ There can be more than one position that works in each cost center, so please list each position.
  - ☐ For example in the Admin Cost Center there are 3 different positions working. There is a “Bookkeeping, Accounting & Auditing Clerks”, “General & Operations Managers” and “Payroll & Timekeeping Clerk”. Lets say the total hours keyed on Sched C-Indirect for the Admin Cost center was 4,050 hrs. Then 4,050 hours needs to broken up between the 3 positions.
- ☑ **Important Note:** Sched F will not let you leave the schedule if the total hours listed are less than or greater than the total hours listed on Sched C-Direct and C-Indirect.
  - ☐ This is why it is best to do Sched F after Sched A, B, (specifically) Sched C-Direct and C-Indirect, D and E (if applicable) are done. I strongly encourage to have a printed copy of the cost report in front of you as you fill Sched F out.
  - ☐ An error message will come up letting the user know if to many hours or to few hours were keyed.

# V. Schedule F

## Schedule F

Schedule Totals: B: \$0 C-Direct: \$0 C-Indirect: \$0 Total: \$0

Lookup Facility / FID:

Schedule-A

Schedule-B

Schedule-C Direct

Schedule-C Ind/Other

Schedule-D

Schedule-F

FID:  Facility:  License:  Year:

Positions	Cost Center	AdultCarePaidHours	AdultCareUnpaidhours
<input type="text" value="Bookkeeping, Accounting &amp; Auditir"/>	<input type="text" value="House Keeping Laundry Dietary and"/>	<input type="text" value="9.50"/>	<input type="text" value="0.00"/>
<input type="text" value="Advertising and Promotions Manag"/>	<input type="text" value="House Keeping Laundry Dietary and"/>	<input type="text" value="0.50"/>	<input type="text" value="0.00"/>
<input type="text" value="*"/>	<input type="text" value=""/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>

Record:

Modify AUP

Administrator Options

Save/Refresh

Preview Reports

New Record

Quit

Record:

# V. Schedule F

## Schedule F – facility with SCU beds

Schedule Totals: B: \$1,843,208 C-Direct: \$994,964 C-Indirect: \$848,244 Total: \$0

Lookup Facility / FID:

**Schedule-A** **Schedule-B** **Schedule-C Direct** **Schedule-C Ind/Other** **Schedule-D** **Schedule-E** **Schedule-F**

FID: **00265** Facility:  License:  Year:  **\$0**

Position	Cost Center	AdultCarePaidHours	AdultCareUnpaidHours	SCUPaidHours	SCUUnpaidHours
Maids & Housekeeping Cle	HouseKeeping/Laundry	0.00	0.00	4200.00	0.00
Cooks, Institution and Cafe	Dietary	0.00	0.00	2080.00	0.00
Food Service Managers	Dietary	0.00	0.00	1040.00	0.00
Food Server, Non-Restaura	Dietary	0.00	0.00	2080.00	0.00
Recreation Workers	Recreation Activities	0.00	0.00	1587.00	0.00
General and Operations M	Administration and Genera	0.00	0.00	2080.00	0.00

Record: 1 of 11 No Filter Search

Modify AUP Administrator Options Save/Refresh Preview Reports New Record Quit

Record: 272 of 1776 No Filter Search

# VI. Agreed Upon Procedures (AUPs)

- **Per GS 131D-4.2 adult care homes are required to submit audited reports.**
- **AUPs are used to satisfy the audit requirement and generally are less expensive**
  - **Because they only look at specific cost report related info and are not a full blown audit with an opinion**
- **AUPs have to be done by an outside, independent accountant or CPA**



# VI. Agreed Upon Procedures (AUPs)

- **Based on changes made to the General Statute**  
- Homes with 7 beds or more have to **submit AUPs every time a cost report is due.**
- **Homes with 6 beds or less are not required to submit AUP; cost report yes, AUPs no.**
- **AUP workpapers are available online at the Office of the Controller's website**





# VI. Agreed Upon Procedures (AUPs)

- AUPs remain consistent with those from prior reporting periods but a new procedure has been added concerning the new Sched F for HAL facilities
- **ONLY** AUPs questions should be addressed via email to [AUP.Questions@dhhs.nc.gov](mailto:AUP.Questions@dhhs.nc.gov)
  - Cost Report or program issues should be directed to me! Never to the above email address
- If an alternative procedure is needed, it must be approved by DHHS. Please email the address listed above with the request
- Please submit AUP writeup, not procedure worksheet

# VII. Sending in Cost Report

- ☑ Finished entering cost report data
  - ☑ Make sure the box is green
    - ☑ Hint: sometime have to click on another schedule for it to turn green
    - ☑ Never a bad idea to click the Save/Refresh button every now and then
    - ☑ Print off a copy of the finished report
- ☑ Have to export the finished cost report
  - ☑ Click on Administrator Option button
  - ☑ Use the drop down arrow and choose facility to export, then click the Export Data button
  - ☑ Even if only one home is entered in database please follow the same procedure
  - ☑ Clicking export DOES NOT automatically send the cost report to me. It is still on your computer

Schedule Totals: B: \$576,333 C-Direct: \$415,164 C-Indirect: \$161,169 Total: \$0

Lookup Facility / FID:

Schedule-A

Schedule-B

Schedule-C Direct

Schedule-C Ind/Other

Schedule-D

FID: 101 Facility: ABC Nursing & Rehab Center License: NH0533 Year: 2013-2014 **\$0**

Reporting Basis ☐ Cash ☒ Accrual

Status: Imported

Date Closed:

General Information

1. Mailing Address:

City: Lumberton State: NC Zip: 28360-

Facility Phone: (910) 555-2821

2. Physical Address:

City: Lumberton State: NC Zip: 28360-

3. Original Date Licensed:

04/12/2001

4. Issued Name:

NC Cancer Institute, Inc

5. County:

Robeson NPI Number: 1396802260

6. Medicaid provider #:

7804192 # If Changed:

7. Owner(s):

NC Cancer Institute, Inc

a. Contact Person:

John Doe

b. Phone: (919) 555-0630

Modify AUP

Administrator Options

Save/Refresh

Preview Reports

New Record

Quit

Record: 1 of 2 No Filter Search

## Administrator Options



**North Carolina**  
**Department of Health and Human Services**  
**Office of the Controller**  
*Adult Care Facilities Tracking System 2015*

Backup Data

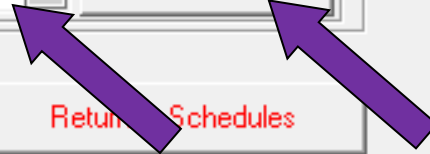
Attach Tables

Facility / FID

Export Data

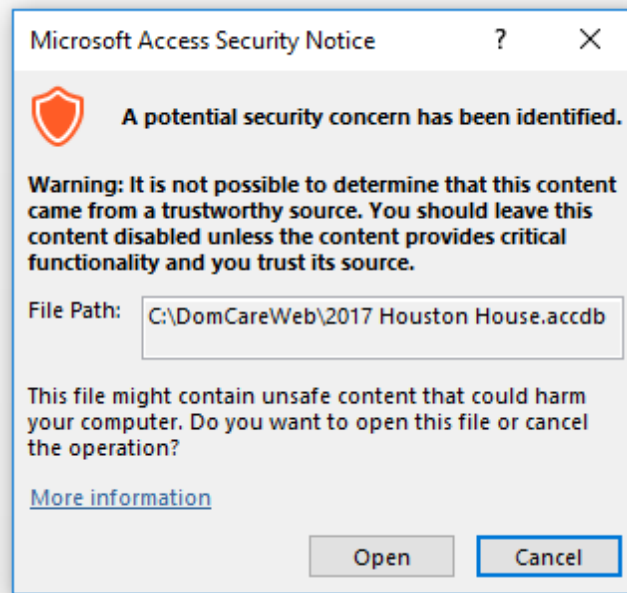
Quit

Return Schedules



# VII. Sending in Cost Report

- ☑ When using Access free runtime version
- ☑ Because security issues can not be bypassed this message box will come up when trying to export



The "Open" button will need to be clicked up to 28 times before a cost report will export successfully

- ☑ Again detailed instructions with pictures are available on how to export and send cost report information. PLEASE read and follow the instructions!!

# VII. Sending in Cost Report

- ☑ Home is exported out of database
- ☑ DomCareWeb subdirectory is created on the computer's C drive
  - ☑ Access 2016 (or higher) users will also need to make this subdirectory a trusted location (see download instructions)
  - ☑ File name will be “2019 *FacilityName*.accdb”, facility name used on Schedule A of cost report. The file size should be over 500kb. If it isn't call me, there is a problem.
  - ☑ This is the file that needs to be saved on a flash drive/CD or attached to an email.



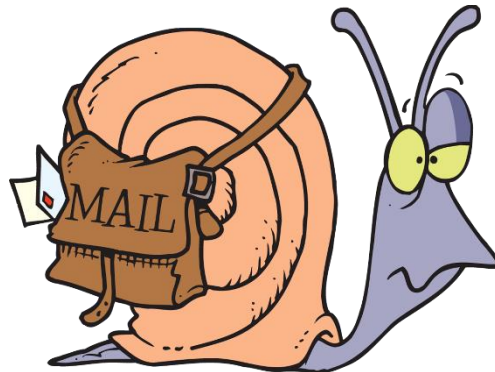
# VII. Sending in Cost Report

- ☑ **Submitting the Cost Report**
  - ☑ **Required to be considered complete**
    - ☑ Electronic copy of database file for each home/license #.
    - ☑ A signed Sch A.
    - ☑ Include a printed copy of cost report.
      - ☑ This is used to double check the import worked correctly and in case there are issues with importing on this end our office will already have a backup copy
    - ☑ For homes with 7 beds or more a signed copy of their AUPs.
  - ☑ **Send all above information ONE WAY!! Please do not send it multiple ways**

Send by Fax



Send by  
Postal Mail

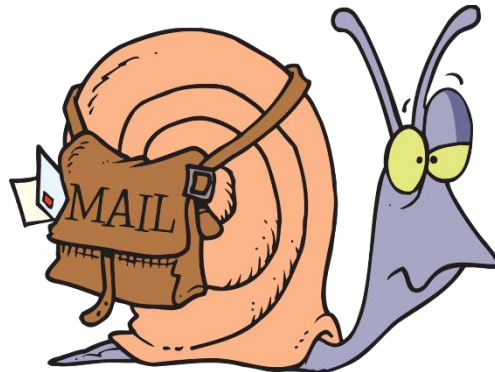


Send by Email



# VII. Sending in Cost Report

- ☑ If submitting information by email, please do one email per home/license #
  - ☑ Please try to send all files related and needed to complete the cost report in one email
  - ☑ It is okay to send providers with multiple homes grouped together
  - ☑ Also will use secure portholes
- ☑ If you want verification the cost report has been received and processed, then email all information. It is easy to hit reply, type “processed” and hit send. Faxed and cost reports sent through USPS do not get notifications back. Also there is a risk of mailed cost reports getting misdirected within the office building.





# 1 Version: Access vs. Runtime

The Access version of the cost report available on website is for Access 2016 or higher

- **Has only 2 files that have to be downloaded**
- **A runtime version is available for those with Access versions older than 2016 or no Access at all. This has to be installed. Use the 32 bit version, program will not run on the 64 bit.**

When the download button is pressed from the Microsoft webpage this will be the next screen. Pick the AccessRuntime\_x86 version on the bottom for a 32 bit program.

Choose the download you want

<input type="checkbox"/> File Name	Size
<input type="checkbox"/> AccessRuntime_x64_en-us.exe	284.6 MB
<input type="checkbox"/> AccessRuntime_x86_en-us.exe	212.3 MB

# VIII. Reminders



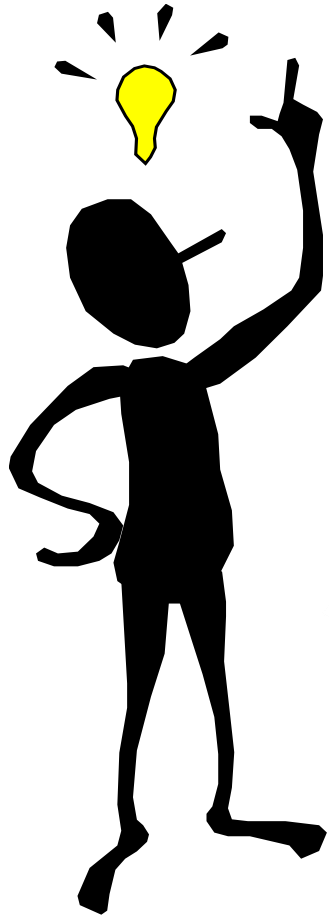
- Remember, using the rollerball on the mouse can cause things to disappear. Don't use the rollerball!
- Please call if you don't understand how to figure days for Schedule A, lines 18, 19 and 20. I will call or email if these don't make sense.

# VIII. Reminders



- ✓ **Cost Reports are due September 30, 2019**
- ✓ **Make sure the box is green**
- ✓ **Cost Report not considered complete until all required information has been received**

# VIII. Reminders



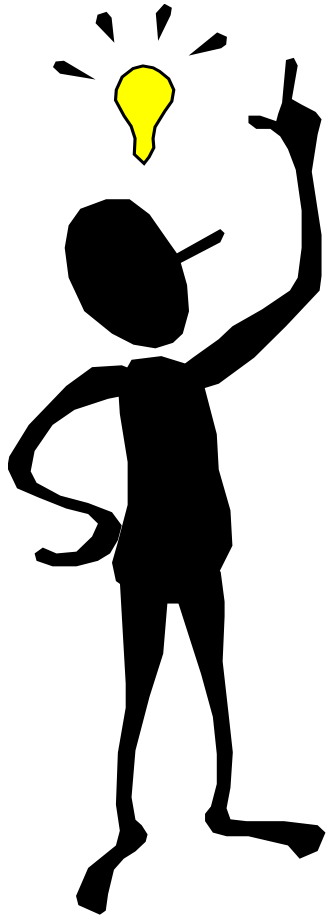
- ✓ **Strongly recommend cost report be submitted electronically**
- ✓ **Paper cost reports may be typed or handwritten but must be legible**
- ✓ **If applicable to your facility, AUPs can be submitted by paper, electronically or by fax**

## VIII. Reminders

- ✓ **Send a printed copy of the cost report along with the electronic file. The printed copy can be a scanned electronic pdf file, paper or faxed.**



# Finalize Package to Submit



**Electronic media: flash drive, CD, email**

- 1. Export home into an individual file. Click the Admin Options button.**
- 2. Exported file found C:\DomCareWeb**
- 3. Attach file to an email**
- 4. Electronic pdf file of signed cost report**
- 5. Electronic pdf file of signed AUP (if required)**

# Finalize Package to Submit



## Hard Copy: Printed

1. A complete printed cost report. Sch A has to be signed.
2. Printed and signed copy of the AUP (if required) also required

Remember to keep a copy for your own records



# Access 2016 or higher

- MS A2016 (or higher) has built in security.
- Follow the download instructions for setting up trusted locations.
  - Both subdirectories AdultCare and DomCareWeb need to be trusted locations
- Using free runtime, can't by pass security, just click "Open"



# Final Reminders



✓ **Please check the web site often!**

✓ **The web site address is:**

**<https://www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities>**

**New information will be posted here as soon as it is available.**

# If required cost report is not submitted

- **Per GS 131D-4.2 (g) – if a facility fails to submit a cost report by the due date the Office of the Controller will notify DHSR and they will suspend admission to the facility**
- **If a facility continues to refuse to submit a cost report the statute also allows for licenses to be suspended or even revoked.**
- **As soon as the late cost report with all required documentation is received DHSR is notified and the suspend admissions is lifted.**

# Hot Button Issues

- **If information is missing our office will call or email to get the information**
- **Please note and remember my last name has changed. I changed back to my maiden name and there is only 1 S in Kesler**
- **As soon as Cost Report information and program are released, cost reports can be submitted. Why wait until 9/30? Beat the rush, submit early. Especially for clients with 9/30 and 12/31 year ends.**
- **And again, if you want verification a cost report has been received and processed, send it by email!**
- **My new backup person is Peyton Wheeler. His email address is [Peyton.wheeler@dhhs.nc.gov](mailto:Peyton.wheeler@dhhs.nc.gov)**

# Questions

I Have A Question



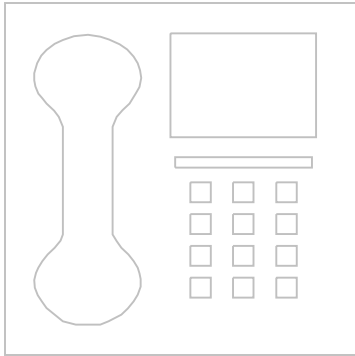
I Have A Question



I Have A Question



# Contact Info



## Points of contact:

**Susan Kesler – 919.855.3680**

**[susan.kesler@dhhs.nc.gov](mailto:susan.kesler@dhhs.nc.gov)**

**Fax number is 919.715.3095**

**Please note the change in my last name, email address and website address**

**<https://www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities>**